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Information/Action

Fiscal Policy and Planning Committee of the Whole

Update on the 2006-07 Governor's Budget

Executive Summary: This agenda item is to inform the Members of the Commission on the salient points of the Commission's portion of the 2006-07 Governor's Budget.

Recommended Action: None

Presenter: Crista Hill, Division Director, Fiscal and Business Services Section

Strategic Plan Goal: 2

Continue to refine the coordination between Commissioners and staff in carrying out the Commission's duties, roles and responsibilities.

- Conduct periodic review of the efficiency of the day-to-day operations and financial accountability of the Commission.

Update on the 2006-07 Governor's Budget

Introduction

On June 30, 2006, Governor Arnold Schwarzenegger signed the 2006-07 State Budget. This agenda item provides a summary of the changes to the Commission's budget.

Background

The State Constitution requires that the Governor submit a budget to the Legislature by January 10 of each year. During the spring, legislative hearings occur with both the Assembly and Senate budget subcommittees in order to discuss the various proposals and make recommendations, as appropriate. Ultimately, the final outcome is the enacted budget for the Fiscal Year beginning July 1, 2006.

2006-07 COMMISSION'S BUDGET:

Highlights:

Policy Adjustment Description:

- Transfer and Reclass Four Higher-Level Positions from Professional Services Division to Create Seven Positions in the Certification, Assignment and Waivers Division to Address Credentialing Backlog + 3.0 positions (Budget Year) (Decrease 4 Consultant Positions from the Program Development Accountability and Research Unit, Increase CAW Cert/Support with 3 Staff Services Analyst, 4 Office Technician positions.) *(It is important to note that is reflects the movement of existing **vacant** positions from the Professional Services Division and expires on June 30, 2007.)*
- \$75,000 is available on a one-time basis from federal Title II carryover through an interagency agreement with the Commission on Teacher Credentialing for the development of a language exam template and its application to several specific language exams. After creating the template, the Filipino language shall be given priority for specific exam development, followed by the Hmong, Cantonese, Armenian, Khmer, Arabic, and Farsi languages, in that order, though test development may occur simultaneously. *(It is important to note that these funds expire as of September 30, 2007.)*
- \$200,000 is available on a one-time basis from federal Title II carryover through an interagency agreement with the Commission on Teacher Credentialing for (1) reviewing the standards for special education teacher preparation programs and revising them to include outcome-based performance measures that can be tracked annually, and (2) reviewing the requirements of Education Specialist credentials and recommending revisions that would better ensure that special education teacher candidates achieve teaching competence and are not required to engage in unproductive activities. *(It is important to note that \$65,000 expires as of September 30, 2006 and \$135,000 expires as of September 30, 2007.)*

- \$500,000 is available on a one-time basis from federal Title II carryover through an interagency agreement with the Commission on Teacher Credentialing to implement the Teaching Performance Assessment **contingent upon the enactment of SB 1209**. *(It is important to note that these funds expire as of September 30, 2007.)*
- \$252,000 is available on a one-time basis from federal Title II carryover through an interagency agreement with the Commission on Teacher Credentialing to support one Staff Information Systems Analyst, one Senior Information Systems Analyst, 0.5 Associate Governmental Program Analyst, and other costs associated with development of the Teacher Database System. *(It is important to note that these funds expire as of September 30, 2007.)*
- Department of Education shall work in consultation with the Commission on Teacher Credentialing to contract for an external evaluation of teacher intern and induction programs, including the university intern program, district intern program, and the Beginning Teacher Support and Assessment program. The report shall be submitted to the Legislature and the Governor by December 1, 2007. The report, at a minimum, shall do all the following: (a) determine whether local induction programs are meeting the objectives of paragraph (1) through paragraph (10) of subdivision (b) of Section 44279.1 of the Education Code and recommend improved means to ensure these objectives are met in the future; (b) determine whether university and district intern programs are meeting the purposes specified in Section 44382 of the Education Code and recommend improved means to ensure these purposes are met in the future; (c) recommend revisions to laws, regulations, or policies to eliminate duplicative requirements between teacher preparation, intern, and teacher induction programs as well as streamline and better coordinate support services for beginning teachers; (d) recommend revisions to the system to ensure that teacher credential candidates and interns achieve teaching competence and are not required to engage in unproductive activities; (e) recommend ways to ensure that beginning teachers receive direct assistance from experienced teachers; (f) recommend ways to ensure that beginning teachers receive assistance, as appropriate, to help them address the needs of special populations of students, especially English learners and special education students; and (g) recommend state/regional administrative structures that will improve service to and support of beginning teachers. To the full extent possible, the Department and Commission shall make existing data available to the external evaluator conducting the study.
- The Budget includes \$1.267 million Proposition 98 General Fund to provide for a rate increase for the Paraprofessional Teacher Training Program. Funding for each paraprofessional seeking a teaching credential will increase from \$3,000 to \$3,500. This program helps increase the number of highly qualified teachers in our classrooms by helping to offset the costs of tuition, fees and books for paraprofessionals who have agreed to complete a teacher preparation program and work in a California classroom. The rate has not been increased since 1997.
- Further, \$18 million Proposition 98 General Fund is included to establish a new Certificated Mentor Teacher Program to encourage successful, experienced teachers to mentor and support new teachers just entering the field, to increase the duration and intensity of the Alternative Certification (Intern) Program and to increase the Intern per

participant rate from \$2,500 to \$4,000.*[It is important to note that this adjustment is subject to the adoption of SB 1209 (Scott)]* With the additional \$1.7 million in federal Title II grant funding available for evaluations of the Intern program, beginning teacher induction programs and special education teacher preparation credentialing. The combined use of these funds will help the state move toward a more efficient and streamlined teacher credentialing process to ensure we reach the goal of a fully credentialed, highly qualified teacher in every classroom.

Totals, Policy Adjustments +5.5 positions, \$1.267 Million (General Fund Proposition 98), \$1.027 Million (One-time Federal Funds)

Baseline Adjustments Descriptions:

- Restore Expenditure Authority to the Teacher Credentials Fund and the Test Development and Administration Fund +\$2,700,000 (Budget Year)
- Increase Pro Rata Assessment +\$677,000 (Budget Year) *(This reflects the Commission's portion of the Statewide Administration annual adjustment, i.e., Legislature, State Controllers, Department of Finance, etc.)*
- Remove One-time Funds for a Cross-Cultural Competency Study -\$76,000 (Budget Year) *(Program expired/ended in 2005-06, technical adjustment to remove the associated expenditure authority)*
- Reduce One-time General Fund for the Commission on Teacher Credentialing - \$2,700,000 - *(Backfill with Test Development and Administration Account funds based on revised Fund Condition update.)*
- Increase Retirement Pursuant to Control Section 3.60 -\$77,000 (Current Year) -\$77,000 (Budget Year) *(Retirement Rate adjustment, annual technical adjustment based on the current retirement rate.)*

Totals, Baseline Adjustments \$524,000 (All Funds) \$600,000 (TCF) -\$76,000 (Reimbursements)

TEACHER DATABASE SYSTEM

The Budget includes \$938,000 from federal Title II Improving Teacher Quality carryover funds for development of the statewide Teacher Database System. The amount proposed will allow the Department of Education (\$686,000) and the Commission on Teacher Credentialing (\$252,000) to begin development of the system by issuing a request for proposals and by beginning initial data management activities necessary for successful implementation of the database.

SUPPLEMENTAL REPORT OF THE 2006 BUDGET ACT: 2006-07 FISCAL YEAR

In addition, Supplemental Reporting Language was adopted by the Conference Committee that impacts the Commission. As you recall, at the May/June 2006 meeting Commission staff shared with the Commission the proposed Supplemental Report Language as a result of a request by Assemblymember Jackie Goldberg at the May 22, 2006 Assembly Budget Subcommittee hearing. Some of the language was changed from the version that was provided to members of the Commission at the May/June 2006 meeting. Provided below is the final language for your reference. At the time the agenda was prepared, no meetings have been scheduled. As new developments occur staff will keep members of the Commission apprised.

Item 6360-001-0407—Commission on Teacher Credentialing

1. ***Teacher Credential and Accreditation Reform.*** The Assembly Education Committee and Senate Education Committee shall convene a working group to undertake major teacher credential and accreditation reform. The reforms shall include: (a) significantly simplifying credential requirements, devolving credentialing responsibility to institutions of higher education and county offices of education, and eliminating any redundancies associated with credential reviews and fingerprinting; (b) significantly simplifying the state's existing accreditation system by shifting from periodic, input-oriented reviews to annual reviews of measurable performance outcomes; and (c) considering various governance options for administering the teacher credentialing process. The working group shall include at least one representative from each education and budget committee, the Legislative Analyst's Office, the Office of the Secretary for Education, the Department of Finance, Commission on Teacher Credentialing, and the Department of Education. The group shall consult with other interested parties, including representatives of higher education institutions, county offices of education, and teachers. By January 1, 2007, the group shall develop a report with recommendations consistent with the above directives.

Staff will be available to answer any questions members of the Commission may have regarding this item.